RESTRICTED CLASSIFICATION SECURITY INFORMATION RESTRICTED

INFORMATION FROM FUREIGN DOCUMENTS OR RADIO BROADCASTS CD NO.

COUNTRY

Emgary

SUBJECT

Economic - Foreign trade

HOW

Γ

PUBLISHED

Daily newspaper

WHERE

PUBLISHED

Budapest

DATE

PUBLISHED

6 Jan 1952

LANGUAGE

Hungarian

THIS IS UNEVALUATED INFORMATION

DATE OF

INFORMATION

NO. OF PAGES

SUPPLEMENT TO

REPORT NO.

1952

DATE DIST. /8 Mar 1952

SOURCE

Nepszava.

SCORES POOR QUALITY OF EXPORT PRODUCTS

Laszlo Kovary, Director, Planning and Economic Division, Ministry of Foreign Trade

During the past year, reciprocal trade agreements were maintained with the USSR, the People's Republic of China, the neighboring people's republics, and the German Democratic Republic. Sufficient raw materials, semifinished goods, and machinery were imported to fulfill the requirements of the second year of the Five-Year Plan. The USSR, in particular, aided in the planning, building, and equipping of such important projects as the Stalin Works Dunapentele and the Borsod Chemical Works. Through the cooperation of its allies, Hungary is now ready to start mass production of ships, diesel trains, boilers, locomobiles, and electric installations.

However, there are still shortcomings in foreign trade transactions. Sometimes the quality, packaging, and shipment of export merchandise are checked only superficially. Mistakes not noticed in time cannot be corrected. For example, only two of the four boat motors especially manufactured for export at the Lang Gepgyar (Lang Machine Enterprise) were of acceptable quality. Only 14 of 50 turret lathes produced by the Femaru es Szerszamgyar (Metalware and Machine-Tool Enterprise) were ready and fit for export within the specified time. For similar reasons, 54 EU lathes made at the Rudapesti Szerszamgyar (Budapest Machine-Tool Enterprise) were rejected as unfit for export.

Frequently, transactions are delayed by the carelessness of the directors of the export enterprises. At the HUNGAROTEX export enterprise, color samples of the textiles intended for export were specified too late, and then at the last moment the colors were changed. Such inefficient organization not only causes delay but also injures quality.

RESTRICTED

- 1 -

		Clas	SFICAT	ION	RESTRICTED	
STATE	NAVY		NSRB	<u> </u>	DISTRIBUTION	
ARMY	AIR	\perp X	FBI			
						

STAT



Г

RESTRICTED

RESTRICTEL

The Ministry of Foreign Trade and the export-import enterprises must see to it that materials needed by the country's expanding economy are contracted for in time to ensure their arrival when required. Many of Hungary's foreign trade representatives are insufficiently prepared, both politically and as experts, to meet the growing competition arising from the present critical international situation.

The industrialization of the country demands that more industrial raw materials, semifinished goods, and especially machinery be imported. Therefore, all branches of industry will participate in foreign trade more than ever before. Trade with the USSR and the other friendly nations must be built up. Reciprocal trade agreements with the capitalist countries should remain in force only if they are truly reciprocal.

In the interest of the increased Five Year Plan, economy, particularly in the use of imported materials, is called for. Only materials that cannot be produced domestically must be imported. Hungarian firms must make shipments on time and export only first-grade, expertly packed goods.

- E N D -

RESTRICTED

- 2 -RESTRICTED **STAT**

